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C O N F I D E N T I A L SECTION 01 OF 03 JERUSALEM 002130

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TAGS: [PREL](#) [PGOV](#) [KWBG](#) [KPAO](#) [KPAL](#) [IS](#)
SUBJECT: PALESTINIAN OFFICIALS, ISRAELI SETTLERS CRITICIZE
GOI WEST BANK CONSTRUCTION MORATORIUM

Classified By: Consul General Daniel Rubinstein
for reasons 1.4 (b,d).

SUMMARY

11. (C) Summary: In the build-up to Israeli Prime Minister Netanyahu's early-evening November 25 address announcing a ten-month moratorium on new West Bank settlement construction, senior Palestinian Authority (PA) and Palestinian Liberation Organization (PLO) officials issued a flurry of public statements labeling the upcoming GOI proposal as an insufficient basis for a return to negotiations. Following PM Netanyahu's televised remarks, most reiterated their disappointment with the initiative, focusing on the exclusion of East Jerusalem from the construction freeze. Many said this move appeared to pre-judge the outcome of final status negotiations. Some anti-settlement NGO contacts voiced cautious optimism about the outcome of the GOI decision, while others were caustic. West Bank settler leaders were harshly critical of the freeze, which they attributed to U.S. pressure. End Summary.

PLO, PA CONTACTS PREDICT DISAPPOINTMENT IN RUN-UP

12. (U) In response to a trickle of preliminary press reports, PA and PLO interlocutors issued statements during the afternoon of November 25 in anticipation of the GOI's evening announcement of a ten-month moratorium on new settlement construction in the West Bank. PA Prime Minister Salam Fayyad, speaking from Ramallah, told wire services that any settlement freeze must be accompanied by a halt to new Israeli construction in East Jerusalem. "What has changed to make something that was not acceptable a week or ten days ago acceptable now?" he asked. "The exclusion of Jerusalem is a very serious problem for us." Fayyad also told reporters, "We are not looking for peace talks to resume for the sake of it. We want to see talks strong enough and capable enough to deliver the goods."

13. (U) From Latin America, where President Abbas is traveling, PA Presidential spokesman Nabil Abu Rudeineh told the international press that "any resumption of negotiations must be based on total cessation of settlement activities in the West Bank and East Jerusalem," and that "any arrangement that does not include Jerusalem is unacceptable." PLO chief negotiator Saeb Erekat claimed the proposed moratorium would allow the construction of 3,000 new settlement units in the next ten months, and called it a "dangerous political step." Erekat argued that the GOI must instead "implement its obligations under the Roadmap and stop the building of settlements, including building in East Jerusalem, and including natural growth," adding that the GOI "must commit

itself to resuming peace talks from the point at which talks stopped in December 2008."

14. (C) PLO Executive Committee (EC) Chair Yasir Abd Rabbo called a special EC meeting at his Ramallah office to discuss the impending GOI announcement. PLO EC members Saleh Rafat and Hana Amireh told Post that most attendees concluded that the offer did not constitute a reason to restart negotiations. They noted that Abd Rabbo told PLO EC members that the PLO needed to appreciate the sensitivity of relations between the USG and GOI, and "leave room" for the USG to negotiate. Regardless, they said, the PLO EC resolved to issue a statement that the Israeli announcement was insufficient, that the USG should require the GOI to halt settlement in all areas occupied in 1967, including East Jerusalem, and that the PLO refused to resume negotiations. Abd Rabbo has scheduled a press conference for 11:30 a.m. local time on November 26.

SETTLER LEADERS CRITICIZE MOVE IN ADVANCE, AFTERWARDS

15. (U) Senior settler leaders were equally vocal in their opposition to the anticipated announcement ahead of Prime Minister Netanyahu's televised press conference. Dani Dayan, chair of the Yesha Council, an umbrella organization of West Bank settlement municipal councils, told Israeli reporters, "This represents a total collapse of the policy of the Netanyahu government. It was elected on a platform of renewing the development of the Jewish communities of Judea and Samaria. As soon as it took office, it started to put difficulties and constraints on our communities. Now it has

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reached the stage of drying them out."

16. (C) Netanyahu's speech appeared to do little to calm the anger of Post's contacts in the West Bank settler community. Pinchas Wallerstein, General Director of the Yesha General Council, told Post following the broadcast, "Netanyahu did not tell the Yesha Council, and they will stand against it. We're convening in the morning to figure out what the next steps of action are." Hebron community leader David Wilder told Post, "We've had no concessions from the Arabs. They're still shooting rockets from Gaza. The tremendous pressure on us from Obama's administration is misplaced, and Netanyahu's caving in is embarrassing and disgusting. Negotiations with the Arabs can only be catastrophic. I don't think there is anything to negotiate about. All the land is Israel."

SETTLEMENT OBSERVERS DIVIDED

17. (C) Post contacts in the anti-settlement NGO and academic communities were divided in their view of the GOI and USG statements. Dror Etkes of Israeli legal assistance NGO Yesh Din told Post shortly after the broadcast of Netanyahu's statements that, "This is a joke, a mockery. Not (stopping construction in) Jerusalem, and not (stopping) natural growth, not (stopping) whatever was already started -- where is the restraint? For the Palestinians, it's not going to be enough; for the settlers, not enough." He continued, "the Israelis want the Palestinians to stop playing, and eventually, they did. I think the Palestinians shouldn't go back to negotiations. What do (negotiations) have to offer?"

18. (C) Israeli journalist, historian, and peace activist Gershom Gorenberg expressed skepticism about the announcement's impact on the ground. "On the one hand," Gorenberg said, "it shows that Bibi is worried about relations with the U.S., and is responding to pressure. On the other, it's more spin than reality. As long as it doesn't apply to Jerusalem and projects already under construction, it will have minimal effect on settlement growth. Meanwhile, it will infuriate those to Bibi's right.

It takes me back to the Wye Agreement."

¶9. (C) Hagit Ofra of anti-settlement NGO Peace Now said, "We think it is 'unprecedented' -- a very positive development, and we hope that it will be conducive to the renewal of talks. However, this declaration will be measured by deeds. Not including Jerusalem is a big problem, and brings a question mark. (The GOI) saying that after ten months we will resume building is a problem -- they should say we will consider not rebuilding, after ten months. The Palestinians and Israelis still have many reasons not to believe, but we should focus on the positives. And we are positive. We say that this is historical, but we still have our doubts."

JERUSALEM PALESTINIAN LEADER BEMOANS EXCLUSION OF THE CITY

¶10. (C) Former PA Minister for Jerusalem Affairs Hatem Abdel Qader told Post later on November 25 that there could be no peace process without a cessation of Israeli building in East Jerusalem. He argued, "Abu Mazen cannot be seen as having condoned a 'settlement freeze' that partially freezes settlement in the West Bank and allows and condones settlement building in East Jerusalem. That would be political suicide for him, in the true sense of the expression." Focusing on Netanyahu's labeling of the West Bank as "Judea and Samaria" and his reference to Jerusalem as the "eternal capital of Israel," Abdel Qader said, "this is a true declaration of war and the end of the peace process for a long time to come."

WEST BANK FATAH LEADERS EQUALLY FOCUSED ON EAST JERUSALEM

¶11. (C) Senior and mid-level Fatah officials raised with Post the centrality of East Jerusalem to any moratorium. Fatah "Young Guard" leader Qaddura Faris told Post, "the danger in this is, no Palestinian official can accept settlement building in East Jerusalem. This means in practice that we accept the pre-empting of final status negotiations over the status of East Jerusalem before they even start." Faris continued, "If the U.S. were to recognize the conclusion that East Jerusalem would eventually serve as the capital of Palestine, then this partial deal could be

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entertained. But as this is not attainable, it is impossible for the Palestinians to accept this (proposal). This is an official Israeli announcement ending the bilateral process of negotiations."

¶12. (C) Palestinian Legislative Council (from Fatah) member Husam Khader asserted to Post that, "the Israeli announcement is one problem. But the U.S. position is the real disaster. The U.S. has practically accepted the Israeli position that East Jerusalem is not negotiable. This means the U.S. has given up its long-standing policy on Jerusalem." Khader said he expected Abu Mazen to "refuse such a deal," arguing that "this shows there is no point to pursuing negotiations as a path to end the conflict at the current stage," and that the GOI proposal "does not give Abu Mazen the minimum he needs to stand in front of the Palestinian people."

¶13. (C) Palestine National Council (PNC) member Fathi al-Ardat echoed Abdel Qader's complaint that Netanyahu had referred to the West Bank as "Judea and Samaria," and predicted that the GOI would resume construction immediately following the end of the moratorium in ten months' time. He was also critical of what he termed the unsatisfactory USG response, alleging that there was insufficient attention paid by the U.S. to the core issues. Al-Ardat concluded that the Israeli government had managed to impose its will on the U.S. and the international community. It wants to determine the end game on Jerusalem before the negotiations even start."

¶14. (C) Late in the evening on November 25, PLO EC member Saleh Rafat told Post that "this Israeli announcement puts the Palestinians who believe in negotiations into deep crisis." He argued, "we have no choice but to conduct a world-wide campaign to show that the Israeli and U.S. positions on this issue don't reflect the Quartet (principles) and the international community's position. The Palestinian leadership is in a position that it must clarify by rejecting the Israeli deal and the U.S. acceptance of it." Rafat remarked, "now that I have heard the ideological statements made by Netanyahu, I can say that no Arab country and no Palestinian official can accept these provocative positions."

¶15. (U) Following the completion of Netanyahu's and Senator Mitchell's remarks, PLO chief negotiator Erekat issued a final statement for the day, saying "there is nothing new in Netanyahu's speech. His speech is very clear -- he has indicated he will continue settlement-building in Jerusalem and in the West Bank, and that settlement-building in Jerusalem will be more than it ever was before...settlement-building is illegitimate and illegal in all of its forms, it violates international law, and it cannot be allowed to continue." He concluded, "Netanyahu's speech did not present a formula to resume final status talks -- and it did not respond to the minimal obligations of Israel under the Roadmap."

COMMENT

¶16. (C) Comment: The onset of the Muslim holiday of Eid al-Adha may serve to take some steam out of the negative reactions from Palestinians. The holiday will distract attention from the announcement, and media focus will decrease as Palestinian newspapers will only be published on the first day of the Eid (Thursday).

RUBINSTEIN